



STATE OF ARKANSAS

Fiduciary Tax Return and Instructions

GENERAL INSTRUCTIONS

The Fiduciary Return is used to report the income of an estate or trust. Every fiduciary, or at least one of the joint fiduciaries must file a return for the estate or trust for which he acts, provided:

1. Any income of such estate or trust is currently distributable.
2. The tax is payable by the beneficiaries or by the grantor.
3. The net income of such estate or trust is \$3,000.00 or over.
4. Any beneficiary of such estate or trust is a nonresident.

A new Form AR1002NR, Arkansas Nonresident Fiduciary Income Tax Return, has been created for use by all nonresidents filing an Arkansas Fiduciary Return. The line by line instructions contained in this booklet apply to both the AR1002, and the AR1002NR tax forms.

File the Form AR1002 or the AR1002NR for the calendar or the fiscal year. Fiscal year returns must be filed on or before the fifteenth (15th) day of the fifth (5th) month following the close of the fiscal year (Calendar year returns on or before May 15). Application for extension of time for filing may be granted if good cause exists and the request is made before the date prescribed by law for filing such return. The year should be indicated in the space provided on the top right of the form. If you do not file for a calendar year fill in the tax year space at the top center of the form. The moment of death determines the end of the decedent's tax year and the beginning of the estate's tax year.

The Federal Employer Identification Number must be entered in the space provided on the top right side of the form. A separate Employer Identification Number is required for each estate or trust. Indicate by checking a box whether you are filing an original return, or an Amended Return. Fill in the exact name of the estate or trust in the area provided.

INTERESTS AND PENALTIES

Interest will be charged on taxes not paid by their due date, even if an extension of time to file is granted. The law also provides a late filing penalty and a failure to pay penalty.

UNDERPAYMENT OF ESTIMATED TAX (FORM AR2210)

You may have to pay an additional charge if the tax you owe is more than \$250 and you owe it because you did not file a Declaration of Estimated Tax required by Arkansas Tax Codes, or you did not pay adequate installments on your estimated tax.

If you are claiming an exception from the Underestimate Penalty, enter the exception number in Part III of Form AR2210.

WHERE TO MAIL

Tax Due Fiduciary Returns should be mailed to:
State Income Tax
P.O. Box 2144
Little Rock, Arkansas 72203-2144.

Refund Fiduciary Returns should be mailed to:
State Income Tax
P.O. Box 1000
Little Rock, Arkansas 72203-1000

No Tax Due Fiduciary Returns should be mailed to:
State Income Tax
P. O. Box 8026
Little Rock, Arkansas 72203-8026

Amended Fiduciary Returns should be mailed to:
State Income Tax
P.O. Box 3628
Little Rock, Arkansas 72203-3628

WHERE TO CALL

Local: (501) 682-2215
or Toll Free: 1-800-882-9275

LINE BY LINE INSTRUCTIONS

- Line 1. Enter the total of all taxable dividends. Attach schedule.
- Line 2. Enter the total of all taxable interest income received or credited to the account of the estate or trust. Attach a schedule showing all interest income and identify any nontaxable interest.
- Line 3. Enter the estate or trust's share of profits from a partnership, and income from another estate or trust (whether received or not). Attach a schedule showing the name, employer identification number, and the amount for each entity.
- Line 4. Enter the net rent and royalty income. Attach a schedule.
- Line 5. Enter the net profit (or loss) from business or farming. Attach the Federal schedule.
- Line 6. Enter the profit (or loss) from the sale of capital assets. Attach the State schedule.
- Line 7. Enter taxable income not reported elsewhere. Attach a statement identifying the source.
- Line 8. Add Line 1 through 7. Enter total on Line 8.

DEDUCTIONS

- Line 9.** Enter any interest paid that is not deducted elsewhere. DO NOT include interest on capital invested in or advanced to the business by the estate or trust.
- Line 10.** Enter any taxes paid during the tax year that is not deducted elsewhere. DO NOT include assessments for local benefit of a kind tending to increase the value of the property assessed. DO NOT include Federal or State of Arkansas taxes, nor taxes imposed upon the estate or trust on its corporation which are paid by the estate or trust. Attach schedule detailing all taxes.
- Line 11.** Enter any other authorized deductions allowed by Arkansas Law. Include on this line: Bad debts, casualty losses, and involuntary conversion of property not used in a trade or business. Attach a sheet listing and explaining all deductions.
- Line 12.** Add Lines 9,10, and 11. Enter total on Line 12.
- Line 13.** Subtract Line 12 from Line 8. Write the amount on Line 13.
- Line 14.** Enter the total amount of income or loss distributed to all the beneficiaries during the year.
- Line 15.** Subtract Line 14 from Line 13. Write the amount on Line 15.
- Line 16.** Compute the tax on the amount on Line 15B if you are required to use Form AR1002. Compute the tax on the amount on Line 15A if you are required to use Form AR1002NR. Use the enclosed tax table and write the amount on Line 16. Indicate if tax is from Tax Table or AR1002GW.
- Line 17.** Do not adjust this figure.
- Line 18.** Enter the total amount of State Income Tax owed other states. This credit is allowable only to resident estates or resident trusts and the income was reported and taxable on the other states' tax return and the Arkansas Fiduciary. Attach a copy of the tax return filed with the other state(s).
- Line 19.** Enter the total allowable credits from AR1020BIC. Attach the AR1020BIC and supporting documents.
- Line 20.** Add Lines 17 through 19. Enter on Line 20.
- Line 21.** Subtract Line 20 from Line 16. Write the amount on Line 21.

The instructions for Lines 21A through 21D are for use with Form AR1002NR only. If using Form AR1002 go to the instructions for Line 22.

TAX APPORTIONMENT

- Line 21A.** Enter the amount from Line 15 column B.
- Line 21B.** Enter the amount from Line 15 column A.
- Line 21C.** Divide the amount on Line 21A by the amount on Line 21B to arrive at your Arkansas percentage. Round the percentage to the nearest whole percent.
- Line 21D.** Multiply the percentage on Line 21C by the amount on Line 21. Write this amount on Line 21D.

TAX DUE OR REFUND COMPUTATION

- Line 22.** If you made an estimated declaration and paid tax enter the amount on this line.
- Line 23.** Enter any amounts paid with an extension. Attach an explanation of how the payment was made.
- Line 24.** Enter the amount of tax payments made with or after the filing of the original return.
- Line 25.** Add Lines 22, 23 and 24. Enter the total on Line 25.
- Line 26.** Enter the amount of an overpayment / refund on the original return.
- Line 27.** Subtract Line 26 from Line 25. Write the amount on Line 27.
- Line 28.** If Line 27 is larger than Line 21 of the AR1002 or Line 21D of the AR1002NR enter the difference on Line 28.
- Line 29.** Enter the amount you want carried forward on Line 29. The overpayment will be applied to your 1998 Estimated Account from your 1998 AR1002 or AR1002NR.
- Line 30.** Subtract Line 29 from Line 28. This is the amount to be refunded to you.
- Line 31.** If Line 21 of the AR1002 or Line 21D of the AR1002NR is larger than Line 27 enter the difference on Line 31. This is the amount of tax due. Mail your payment to the Department of Finance and Administration. Write the Federal Identification Number on the check or money order.

DISTRIBUTIONS TO BENEFICIARIES

The beneficiaries share of income is listed in this section. Include all information required. If additional space is needed attach a separate sheet. Any income properly paid, credited, or distributable to a beneficiary is taxable to the beneficiary.

Resident beneficiaries must include distributions from any estate or trust in their total Arkansas income to determine if an AR1000 should be filed. Nonresident beneficiaries who have distributions from an Arkansas estate or trust must file an Arkansas Individual Income Tax Return (AR1000NR) that reflects the total income received from an Arkansas source regardless of the amount of distribution.



STATE OF ARKANSAS

Fiduciary Tax Return and Instructions

GENERAL INSTRUCTIONS

The Fiduciary Return is used to report the income of an estate or trust. Every fiduciary, or at least one of the joint fiduciaries must file a return for the estate or trust for which he acts, provided:

1. Any income of such estate or trust is currently distributable.
2. The tax is payable by the beneficiaries or by the grantor.
3. The net income of such estate or trust is \$3,000.00 or over.
4. Any beneficiary of such estate or trust is a nonresident.

A new Form AR1002NR, Arkansas Nonresident Fiduciary Income Tax Return, has been created for use by all nonresidents filing an Arkansas Fiduciary Return. The line by line instructions contained in this booklet apply to both the AR1002, and the AR1002NR tax forms.

File the Form AR1002 or the AR1002NR for the calendar or the fiscal year. Fiscal year returns must be filed on or before the fifteenth (15th) day of the fifth (5th) month following the close of the fiscal year (Calendar year returns on or before May 15). Application for extension of time for filing may be granted if good cause exists and the request is made before the date prescribed by law for filing such return. The year should be indicated in the space provided on the top right of the form. If you do not file for a calendar year fill in the tax year space at the top center of the form. The moment of death determines the end of the decedent's tax year and the beginning of the estate's tax year.

The Federal Employer Identification Number must be entered in the space provided on the top right side of the form. A separate Employer Identification Number is required for each estate or trust. Indicate by checking a box whether you are filing an original return, or an Amended Return. Fill in the exact name of the estate or trust in the area provided.

INTERESTS AND PENALTIES

Interest will be charged on taxes not paid by their due date, even if an extension of time to file is granted. The law also provides a late filing penalty and a failure to pay penalty.

UNDERPAYMENT OF ESTIMATED TAX (FORM AR2210)

You may have to pay an additional charge if the tax you owe is more than \$250 and you owe it because you did not file a Declaration of Estimated Tax required by Arkansas Tax Codes, or you did not pay adequate installments on your estimated tax.

If you are claiming an exception from the Underestimate Penalty, enter the exception number in Part III of Form AR2210.

WHERE TO MAIL

Tax Due Fiduciary Returns should be mailed to:
State Income Tax
P.O. Box 2144
Little Rock, Arkansas 72203-2144.

Refund Fiduciary Returns should be mailed to:
State Income Tax
P.O. Box 1000
Little Rock, Arkansas 72203-1000

No Tax Due Fiduciary Returns should be mailed to:
State Income Tax
P. O. Box 8026
Little Rock, Arkansas 72203-8026

Amended Fiduciary Returns should be mailed to:
State Income Tax
P.O. Box 3628
Little Rock, Arkansas 72203-3628

WHERE TO CALL

Local: (501) 682-2215
or Toll Free: 1-800-882-9275

LINE BY LINE INSTRUCTIONS

- Line 1.** Enter the total of all taxable dividends. Attach schedule.
- Line 2.** Enter the total of all taxable interest income received or credited to the account of the estate or trust. Attach a schedule showing all interest income and identify any nontaxable interest.
- Line 3.** Enter the estate or trust's share of profits from a partnership, and income from another estate or trust (whether received or not). Attach a schedule showing the name, employer identification number, and the amount for each entity.
- Line 4.** Enter the net rent and royalty income. Attach a schedule.
- Line 5.** Enter the net profit (or loss) from business or farming. Attach the Federal schedule.
- Line 6.** Enter the profit (or loss) from the sale of capital assets. Attach the State schedule.
- Line 7.** Enter taxable income not reported elsewhere. Attach a statement identifying the source.
- Line 8.** Add Line 1 through 7. Enter total on Line 8.

DEDUCTIONS

- Line 9.** Enter any interest paid that is not deducted elsewhere. DO NOT include interest on capital invested in or advanced to the business by the estate or trust.
- Line 10.** Enter any taxes paid during the tax year that is not deducted elsewhere. DO NOT include assessments for local benefit of a kind tending to increase the value of the property assessed. DO NOT include Federal or State of Arkansas taxes, nor taxes imposed upon the estate or trust on its corporation which are paid by the estate or trust. Attach schedule detailing all taxes.
- Line 11.** Enter any other authorized deductions allowed by Arkansas Law. Include on this line: Bad debts, casualty losses, and involuntary conversion of property not used in a trade or business. Attach a sheet listing and explaining all deductions.
- Line 12.** Add Lines 9,10, and 11. Enter total on Line 12.
- Line 13.** Subtract Line 12 from Line 8. Write the amount on Line 13.
- Line 14.** Enter the total amount of income or loss distributed to all the beneficiaries during the year.
- Line 15.** Subtract Line 14 from Line 13. Write the amount on Line 15.
- Line 16.** Compute the tax on the amount on Line 15B if you are required to use Form AR1002. Compute the tax on the amount on Line 15A if you are required to use Form AR1002NR. Use the enclosed tax table and write the amount on Line 16. Indicate if tax is from Tax Table or AR1002GW.
- Line 17.** Do not adjust this figure.
- Line 18.** Enter the total amount of State Income Tax owed other states. This credit is allowable only to resident estates or resident trusts and the income was reported and taxable on the other states' tax return and the Arkansas Fiduciary. Attach a copy of the tax return filed with the other state(s).
- Line 19.** Enter the total allowable credits from AR1020BIC. Attach the AR1020BIC and supporting documents.
- Line 20.** Add Lines 17 through 19. Enter on Line 20.
- Line 21.** Subtract Line 20 from Line 16. Write the amount on Line 21.

The instructions for Lines 21A through 21D are for use with Form AR1002NR only. If using Form AR1002 go to the instructions for Line 22.

TAX APPORTIONMENT

- Line 21A.** Enter the amount from Line 15 column B.
- Line 21B.** Enter the amount from Line 15 column A.
- Line 21C.** Divide the amount on Line 21A by the amount on Line 21B to arrive at your Arkansas percentage. Round the percentage to the nearest whole percent.
- Line 21D.** Multiply the percentage on Line 21C by the amount on Line 21. Write this amount on Line 21D.

TAX DUE OR REFUND COMPUTATION

- Line 22.** If you made an estimated declaration and paid tax enter the amount on this line.
- Line 23.** Enter any amounts paid with an extension. Attach an explanation of how the payment was made.
- Line 24.** Enter the amount of tax payments made with or after the filing of the original return.
- Line 25.** Add Lines 22, 23 and 24. Enter the total on Line 25.
- Line 26.** Enter the amount of an overpayment / refund on the original return.
- Line 27.** Subtract Line 26 from Line 25. Write the amount on Line 27.
- Line 28.** If Line 27 is larger than Line 21 of the AR1002 or Line 21D of the AR1002NR enter the difference on Line 28.
- Line 29.** Enter the amount you want carried forward on Line 29. The overpayment will be applied to your 1998 Estimated Account from your 1998 AR1002 or AR1002NR.
- Line 30.** Subtract Line 29 from Line 28. This is the amount to be refunded to you.
- Line 31.** If Line 21 of the AR1002 or Line 21D of the AR1002NR is larger than Line 27 enter the difference on Line 31. This is the amount of tax due. Mail your payment to the Department of Finance and Administration. Write the Federal Identification Number on the check or money order.

DISTRIBUTIONS TO BENEFICIARIES

The beneficiaries share of income is listed in this section. Include all information required. If additional space is needed attach a separate sheet. Any income properly paid, credited, or distributable to a beneficiary is taxable to the beneficiary.

Resident beneficiaries must include distributions from any estate or trust in their total Arkansas income to determine if an AR1000 should be filed. Nonresident beneficiaries who have distributions from an Arkansas estate or trust must file an Arkansas Individual Income Tax Return (AR1000NR) that reflects the total income received from an Arkansas source regardless of the amount of distribution.

AR1002

STATE OF ARKANSAS
Fiduciary Return

1997

For 1997 or Fiscal Year beginning _____ and ending _____ 19____ | _____ | _____

Name of Estate or Trust		FEDERAL IDENTIFICATION NUMBER	
Address - Street and Number, P. O. Box or Rural Route		Date trust was created, or, if an estate, date of decedent's death.	
City, Town or Post Office, State and Zip Code			

<input type="checkbox"/> ORIGINAL RETURN <input type="checkbox"/> AMENDED RETURN	A. FEDERAL RETURN		B. ARKANSAS INCOME
1. Dividends.....	1	00	1 00
2. Interest Income.....	2	00	2 00
3. Income from Partnerships, Fiduciaries, etc.	3	00	3 00
4. Rent and Royalty Income.	4	00	4 00
5. Net Profit from Trade or Business.	5	00	5 00
6. Capital Gain(s)	6	00	6 00
7. Other Income.	7	00	7 00
8. Total Income.	8	00	8 00
9. Interest Paid.....	9	00	9 00
10. Taxes Paid.	10	00	10 00
11. Other Deductions.....	11	00	11 00
12. Total Deductions.	12	00	12 00
13. Adjusted Income.....	13	00	13 00
14. Amounts to be distributed to beneficiaries.	14	00	14 00
15. Net Taxable Income:	15	00	15 00
16. Enter Tax from Table using amount on Line 15, Column B <input type="checkbox"/> ITEMIZED TABLE-3 OR FIDUCIARY TAX TABLE <input type="checkbox"/> AR1002GW	16		00
17. Personal Tax Credit.....	17	20 00	
18. Other State Tax Credits:	18	00	
19. Business and Incentive Tax Credits.	19	00	
20. Total Tax Credits (Add Lines 17 - 19).	20		00
21. Tax Liability: (Subtract Line 20 from Line 16).	21		00
22. Estimated Tax Paid or Credit brought forward from last year.	22	00	
23. Tax paid with Extension.	23	00	
24. Payments with Original Return. (See Instructions).	24	00	
25. Total Payments.	25	00	
26. Overpayments received. (See Instructions).	26	00	
27. Balance of payments subject to liability.	27		00
28. Overpayment.	28		00
29. Amount to be applied to 1998 Estimated Tax.	29	00	
30. AMOUNT TO BE REFUNDED TO YOU.	30		00
31. AMOUNT DUE:	31		00

Beneficiaries share of income: _____		Number of Beneficiaries to receive distribution: _____					
FIRST NAME	MI	LAST NAME	SSN	ADDRESS	ST	ZIP	AMOUNT
							00
							00
							00
							00
							00

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, the statements are true and complete. Taxpayer's Signature _____ Date _____ Preparer's Signature _____ Date _____ Name _____ ID/SSN _____ Address _____ City, State and Zip _____		OFFICE USE ONLY			
		A			
		B			
		C			
		D			
		E			
		F			
		G			
H					

Mail **TAX DUE** to: State Income Tax, P. O. Box 2144, Little Rock, AR 72203-2144
Mail **REFUND** to: State Income Tax, P. O. Box 1000, Little Rock, AR 72203-1000Mail **AMENDED** to: State Income Tax, P. O. Box 3628, Little Rock, AR 72203-3628
Mail **NO TAX DUE** to: State Income Tax, P. O. Box 8026, Little Rock, AR 72203-8026

AR1002GW

MAXIMUM CAPITAL GAINS TAX COMPUTATION WORKSHEET FOR FIDUCIARY RETURNS

USE THIS WORKSHEET TO FIGURE YOUR TAX ONLY if Arkansas Schedule AR1000DGW Lines 17 and 18 are both Gains AND Form AR1002/AR1002NR, Line 15 is over \$25,000.

1.	Enter amounts from Form AR1002/AR1002NR. Line 15	1		00
2.	Enter the smaller of Arkansas Schedule AR1000DGW, Line 17 or 18. (See note below).....	2 •		00
3.	Subtract Line 2 from Line 1.	3		00
4.	Minimum 6% (.06) rate.	4	\$14,999	00
5.	Enter the greater of Line 3 or 4.	5		00
6.	Subtract Line 5 from Line 1.	6		00
7.	Figure the tax on the amount of Line 5. Use Itemized Tax Table 3 or Fiduciary Tax Table.	7		00
8.	Multiply Line 6 by 6% (.06).....	8		00
9.	Add Lines 7 and 8. Enter result here and on Form AR1002/AR1002NR, Line 16, and check the box for AR1002GW.	9 •		00

NOTE: Do not include long or short term capital loss carryforwards incurred before tax year 1991.
Capital loss carryforward is effective for tax year 1991 and forward.

ATTACH AS PAGE 2 OF YOUR RETURN

AR1002NR

STATE OF ARKANSAS
Nonresident Fiduciary Return

1997

For 1997 or Fiscal Year beginning _____ and ending _____ 19 _____

Name of Estate or Trust	FEDERAL IDENTIFICATION NUMBER
Address - Street and Number, P. O. Box or Rural Route	Date trust was created, or, if an estate, date of decedent's death.
City, Town or Post Office, State and Zip Code	

<input type="checkbox"/> ORIGINAL RETURN	<input type="checkbox"/> AMENDED RETURN	A. FEDERAL RETURN	B. ARKANSAS INCOME
1. Dividends.	1	00	1 00
2. Interest Income.	2	00	2 00
3. Income from Partnerships, Fiduciaries, etc.	3	00	3 00
4. Rent and Royalty Income.	4	00	4 00
5. Net Profit from Trade or Business.	5	00	5 00
6. Capital Gain(s).	6	00	6 00
7. Other Income.	7	00	7 00
8. Total Income.	8	00	8 00
9. Interest Paid.	9	00	9 00
10. Taxes Paid.	10	00	10 00
11. Other Deductions.	11	00	11 00
12. Total Deductions.	12	00	12 00
13. Adjusted Income.	13	00	13 00
14. Amounts to be distributed to beneficiaries.	14	00	14 00
15. Net Taxable Income.	15	00	15 00
16. Enter Tax from Table using amount on Line 15, Column A <input type="checkbox"/> Itemized Table-3 or Fiduciary Tax Table <input type="checkbox"/> AR1002GW	16		00
17. Personal Tax Credit.	17	20 00	
18. Other State Tax Credits.	18	00	
19. Business and Incentive Tax Credits.	19	00	
20. Total Tax Credits (Add Lines 17 - 19).	20		00
21. Tax Liability: (Subtract Line 20 from Line 16).	21		00
21A. Enter the Amount from Line 15, Column B.	21A	00	
21B. Enter the Amount from Line 15, Column A.	21B	00	
21C. Divide Line 21A by Line 21B and enter percentage here.	21C		%
21D. Apportioned Tax Liability. (Multiply Line 21 by Line 21C).	21D		00
22. Estimated Tax Paid or Credit brought forward from last year.	22	00	
23. Tax paid with Extension.	23	00	
24. Payments with Original Return. (See Instructions).	24	00	
25. Total Payments.	25	00	
26. Overpayments received. (See Instructions).	26	00	
27. Balance of payments subject to liability.	27		00
28. Overpayment.	28		00
29. Amount to be applied to 1998 Estimated Tax.	29	00	
30. AMOUNT TO BE REFUNDED TO YOU.	30		00
31. AMOUNT DUE.	31		00

Beneficiaries share of income: _____				Number of Beneficiaries to receive distribution: _____			
FIRST NAME	MI	LAST NAME	SSN	ADDRESS	ST	ZIP	AMOUNT
							00
							00
							00
							00
							00

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, the statements are true and complete.		OFFICE USE ONLY	
Taxpayer's Signature _____	Date _____	A	
Preparer's Signature _____	Date _____	B	
Name _____	ID/SSN _____	C	
Address _____	City, State and Zip _____	D	
		E	
		F	
		G	
		H	

AR1002GW

MAXIMUM CAPITAL GAINS TAX COMPUTATION WORKSHEET FOR FIDUCIARY RETURNS

USE THIS WORKSHEET TO FIGURE YOUR TAX ONLY if Arkansas Schedule AR1000DGW Lines 17 and 18 are both Gains AND Form AR1002/AR1002NR, Line 15 is over \$25,000.

1.	Enter amounts from Form AR1002/AR1002NR. Line 15	1		00
2.	Enter the smaller of Arkansas Schedule AR1000DGW, Line 17 or 18. (See note below).....	2 •		00
3.	Subtract Line 2 from Line 1.	3		00
4.	Minimum 6% (.06) rate.	4	\$14,999	00
5.	Enter the greater of Line 3 or 4.	5		00
6.	Subtract Line 5 from Line 1.	6		00
7.	Figure the tax on the amount of Line 5. Use Itemized Tax Table 3 or Fiduciary Tax Table.	7		00
8.	Multiply Line 6 by 6% (.06).....	8		00
9.	Add Lines 7 and 8. Enter result here and on Form AR1002/AR1002NR, Line 16, and check the box for AR1002GW.	9 •		00

NOTE: Do not include long or short term capital loss carryforwards incurred before tax year 1991.
Capital loss carryforward is effective for tax year 1991 and forward.

ATTACH AS PAGE 2 OF YOUR RETURN